

# The American Observer

*A free, virtuous, and enlightened people must know well the great principles and causes on which their happiness depends.—James Monroe*

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APRIL 3, 1944

## Nazis Fully Occupy Balkan Satellites

**Try Desperately to Keep Small Buffer Nations in War Against Their Will**

**ADVANCING RUSSIANS CAUSE FEAR**

**Disaffection in Hungary, Bulgaria, and Rumania Has to Be Dealt with by Nazi Troops**

Considerable surprise was expressed in the Allied nations when the Germans sent an army of occupation into Hungary, seized the government, and took charge of things as completely as if Hungary had been enemy territory instead of a country which had been allied with the Nazis. Why, it was asked, should Hitler do this to an ally? What conditions had developed in Hungary to make such drastic action seem necessary to the Germans? To answer these questions we must examine the background of Hungary's participation in the war.

The Hungarian people, most of them poor peasants, have never been enthusiastic for the war. They would have stayed out of it if they could have done so. The people, however, have little to say about the course of affairs. For many years, Hungary has been governed by a dictatorship with Admiral Nicholas Horthy at the head. The Hungarian dictators are naturally sympathetic with other fascist dictatorships, but that alone would not have brought Hungary into the war.

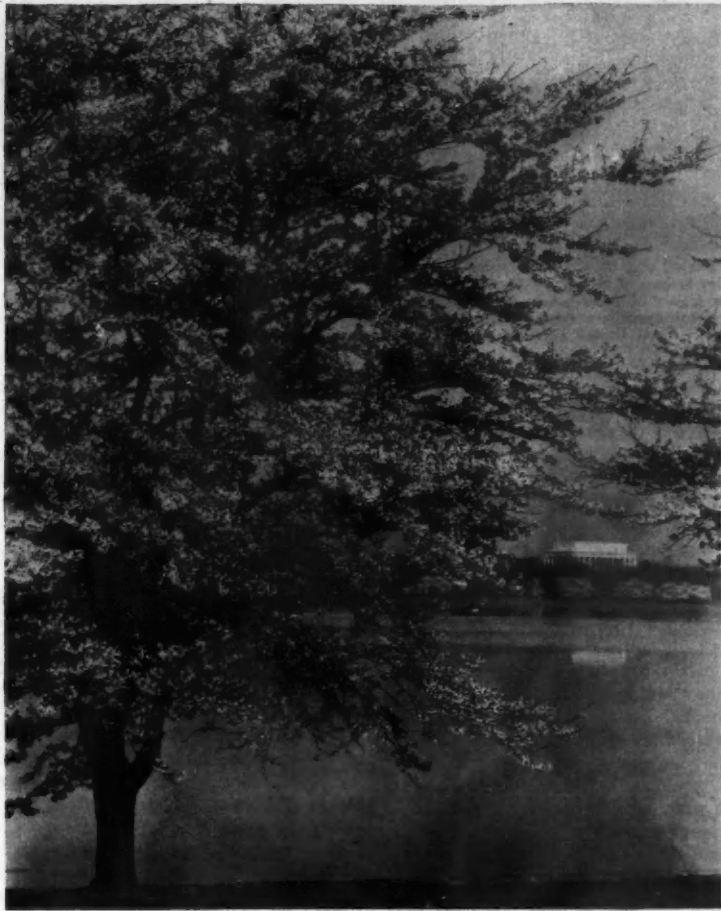
### Hungary's Position

Hungary is in the war chiefly because of her helplessness. Her armies are weak, and from the first there was no chance that they could hold off the Germans if they had undertaken to do so. Germany insisted upon the co-operation of Hungary because she needed the grain which is grown on the fertile Hungarian plains. The Hungarians could not avoid co-operating.

But that was not all. For years the Hungarians have feared Russia—feared that their great Slavic neighbor might some day send its soldiers through the Carpathian Mountain passes to the plains of Central Europe. Hence, the Hungarian government was willing to ally itself with powerful Germany so that Hungary might have help if attack should come from the east.

Bribery also entered into Hungary's decision. There is a rich territory known as Transylvania which lies between Rumania and Hungary. After the First World War, this region was given to Rumania. The Hungarians have been more interested in getting it back than in almost anything else. Shortly after the beginning of the present war, Hitler gave this territory back to Hungary, and this made the Hungarians more eager to join hands with the Nazis. Though they have been at war on Germany's side, they have not been enthusiastic for the war, and at no

(Concluded on page 7)



## These Days of Spring

By Walter E. Myer

These are indeed anxious days, for we expect that our great offensive will soon be launched. We are hurrying toward the climax of a climactic epoch in the history of the world; and nerves are tense as we await developments. But despite the drama of great events those of us who remain at home sense again the beauty, feel again the impulses, ever associated with this season of the year. The cherry blossoms, the forsythia, the dogwood, the redbud, the tulips will add dashes of color this month to the soft shades of green which nature spreads everywhere before us. But the spring days are less stimulating than they are beautiful. This is the time when we let down a bit. We are approaching the season when "spring fever" becomes epidemic. We miss the bracing tonic supplied by the winter days. We relax in the warm and perfume-laden air and tend to forget the duties to which we have been so attentive.

Spring fever is not a new ailment. It was felt long ago in the times of our grandfathers. The spring lassitude was looked upon then as a physical malady and drastic measures were taken to cope with it. Everyone was supposed to take medicine in the spring, for the blood had to be purified. And the taking of medicine in those days was no light matter, for the physicians and the pharmacists had not invented pleasing or inoffensive pellets. As spring came on, everyone had to take large doses of rhubarb and molasses and sulphur to clear up the blood and give tone to the body. We know now that spring fever is a product of social as well as physical conditions. The indisposition to work in the spring comes partly from the fact that there is so much else that one would rather do. The outdoors is calling. The baseball season is coming on and all sorts of games beckon to us, to the young and the old. It may be marbles for the little tots and golf for the gray-beards, but the bright, warm outdoors calls to all.

These days of letting down, however, may have their uses, especially for those who are possessed of physical energy and power of will. If one is looking for a chance to forge into leadership here may be his opportunity. He has not, perhaps, during the winter months, been able to widen the gap between himself and his more or less mediocre associates. When he has gone forward they may have tagged unpleasantly at his heels. But now it is not so easy to work. Especially in the school there is a tendency to slip. Those who follow the line of least resistance will lie down on the job. Many people, despite the urgencies of wartime, will let up perceptibly this month. Many students will fall down a little. The one who is morally and physically able to go on when the going is hard will stick closely to his tasks during these weeks. He will insist upon a high grade of achievement. He will demonstrate that he can overcome obstacles, and the obstacles will prove to be steppingstones toward a position of distinction.

## Sec. Hull Outlines U. S. Foreign Policy

**17-Point Program Is Designed to Clarify American War Aims and Bases for Peace**

**PLEDGED TO FUTURE COOPERATION**

**Calls for Participation by U. S. in International Organization to Safeguard Future Peace**

An official declaration of American war aims has been made public. Secretary of State Cordell Hull late last month issued a 17-point statement of the purposes for which this nation fights and of the objectives of our foreign policy. Because of the importance of this official declaration of policy, we are reprinting the 17 points in full.

In the article which follows, the words of Secretary Hull appear in italics with our comments in Roman type.

Elsewhere in this paper it is announced that THE AMERICAN OBSERVER will not appear next week—April 10. We suggest that in such schools as may be in session during that week, this important official declaration of American foreign policy be made the subject of study and discussion. To assist in this study, we are appending to the article a list of references.

Here follows the Hull statement, entitled "Basis of the Foreign Policy of the United States," together with our interpretations:

### Our Fundamental National Interests

*In determining our foreign policy, we must first see clearly what our true national interests are.*

*At the present time, the paramount aim of our foreign policy is to defeat our enemies as quickly as possible.*

*Beyond final victory, our fundamental national interests are the assuring of our national security and the fostering of the economic and social well being of our people.*

Few will question the wisdom of this statement so far as it goes. Unquestionably a nation must work for its own security and for the well being of its own people. It is a fact, however, that no nation can be secure if other nations are not secure. If the people of large sections of the world are insecure and impoverished, they will be discontented and aggressive. They are likely to be so turbulent as to disturb their neighbors and to stir up strife which may spread around the world.

Recognizing this fact, many people would have been better satisfied if Secretary Hull had said that it was our policy to strive for security and well being for our own country and to help establish conditions under which other peoples might enjoy similar advantages.

It should be said, however, that later in his declaration, he calls for (Continued on page 2)





AMERICAN PARTICIPATION in a world court is one of Secretary Hull's 17 points. Above is pictured a session of the Permanent Court of International Justice at The Hague, Holland. Although Frank B. Kellogg, an American (third from left), was one of the justices of the World Court, the United States refused to become a member of the tribunal.

## U. S. Foreign Policy

(Continued from page 1)

the removal of certain hindrances to well being, such as trade barriers. Our government undoubtedly has in mind the importance of fostering the conditions which make for security and peace everywhere. The issue here is merely as to whether Mr. Hull gave that purpose sufficient emphasis.

### International Cooperation

Cooperation between nations in the spirit of good neighbors, founded on the principles of liberty, equality, justice, morality, and law, is the most effective method of safeguarding and promoting the political, the economic, the social, and the cultural well being of our nation and of all nations.

This point will be criticized by cynics on the ground that it is a statement of "glittering generalities" which sound well but which do not mean anything very definite. It means a great deal, however, to have our government proclaim such idealistic purposes. These purposes differ fundamentally from those which the Germans or the Japanese stand for. A nation which publicly proclaims civilized principles of international relations is more likely to put those principles into practice. Americans may well be proud of the goals here outlined.

### International Organization Backed by Force

Some international agency must be created which can—by force if necessary—keep the peace among nations in the future.

A system of organized international cooperation for the maintenance of peace must be based upon the willingness of the cooperating nations to use force, if necessary, to keep the peace. There must be certainty that adequate and appropriate means are available and will be used for this purpose.

This point is very important. It pledges the United States to do what it refused to do after the First World War; that is, to join a league or association of nations. It pledges America further to join with other nations in using force to keep peace.

### Political Differences

Political differences which present a threat to the peace of the world should be submitted to agencies which would

use the remedies of discussion, negotiation, conciliation, and good offices.

The "political differences" mentioned here include issues such as arise over boundaries. Many of these questions will be extremely complex and difficult. Our government is not undertaking in advance to say how many of these boundary questions should be settled. It does advocate the establishment of machinery whereby they may be settled fairly. Certainly it would be better to have an agency in which a number of nations are represented, deal with boundary disputes than to let the nations engaged in the disputes fight among themselves. It is hard to see how our government could at this time be more specific in outlining a policy respecting the settlement of international disputes.

### International Court of Justice

Disputes of a legal character which present a threat to the peace of the world should be adjudicated by an international court of justice whose decisions would be based upon application of principles of law.

This point pledges the United States government to do something else which it refused to do after the First World War; that is, to participate in a world court to settle disputes involving interpretations of international law.

### Reduction of Arms

International cooperative action must include eventual adjustment of national armaments in such a manner that the rule of law cannot be successfully challenged, that the burden of armaments may be reduced to a minimum.

Controversy is likely to develop when the war is over as to whether the United States should follow the policy here outlined. Many Americans will insist that the United States should remain armed to the teeth and that we should be prepared to support our policies by force wherever they may be opposed. Secretary Hull's statement has the effect of pledging this country to reduce its armaments if other nations reduce theirs. It pledges us to depend for our safety upon international agreements and international armies. This does not mean that the United States should be unarmed or helpless, but that we should depend

to a large extent for our security upon a league or association of nations.

### Moscow Four-Nation Declaration

Through this declaration, the Soviet Union, Great Britain, the United States, and China have laid the foundation for cooperative effort in the postwar world toward enabling all peace-loving nations, large and small, to live in peace and security, to preserve the liberties and rights of civilized existence, and to enjoy expanded opportunities and facilities for economic, social, and spiritual progress.

This point will be attacked in some quarters as being vague. It declares that the four great allies will work for conditions under which all people everywhere may enjoy "expanded opportunities and facilities for economic, social, and spiritual progress," but it is indefinite as to exactly how these results can be achieved. It would not be possible, however, for the United States or any other country to go into great detail at this time as to the concrete measures which should be adopted. It means something—a great deal in fact—that the four nations which will be so influential in the postwar world publicly acknowledge the welfare of all peoples as a goal toward which they will strive.

### Spheres of Influence and Alliances

As the provisions of the Four-Nation Declaration are carried into effect, there will no longer be need for spheres of influence, for alliances, for balances of power, or any other of the special arrangements through which, in the unhappy past, the nations strove to safeguard their security or to promote their interests.

This is one of the most controversial of all the points in the Hull statement. If "spheres of influence" are to be abandoned, it means that we will give up the historic Monroe Doctrine. The meaning of the Monroe Doctrine is that the Western Hemisphere comes within our "sphere of influence"; that we are more concerned with this region than the nations of the old world are, and that the nations of the Western Hemisphere, under our leadership, will solve their own problems without calling for advice or assistance upon European or Asiatic nations.

Under the plan set forth by Secretary Hull the United States would supposedly give up this claim to special

authority in the Western Hemisphere. Russia, Britain, and other great nations would also give up claims to spheres in which their voice would prevail. All nations, wherever located, would look for protection not to some one powerful nation, such as the United States, Russia, or Great Britain, but to an association of all the nations. Such a program may be wise and necessary, but it will certainly not be accepted in this country without prolonged and exhaustive debate.

### Surveillance Over Aggressor Nations

In the process of reestablishing international order, the United Nations must exercise surveillance over aggressor nations until such time as the latter demonstrate their willingness and ability to live at peace with other nations. How long such surveillance will need to continue must depend upon the rapidity with which the peoples of Germany, Japan, Italy, and their satellites give convincing proof that they have repudiated and abandoned the monstrous philosophy of superior race and conquest by force and have embraced loyally the basic principles of peaceful processes.

Few will question at this time the wisdom of the policy here set forth. Practically all people will agree that the United Nations must stand guard over the defeated enemies until they can be sure that these enemies have given up all thought of aggression. No folly could be greater than to do what America and the other victorious nations did after the First World War; that is, stand aside weakly and helplessly while the defeated enemies prepare for another war.

However, in saying that we will hold the enemy nations under surveillance as long as necessary, we are accepting a heavy responsibility, and that fact should be recognized. There is real danger that we will not recognize it, or at least not remember it. The issue will develop a while after the war closes. Many Americans will then become weary of watching over the enemies. They will oppose our participation in a police force to keep the enemies from rearming. Large numbers of Americans will undoubtedly demand that we bring all our soldiers home and forget the whole mess as we did a quarter of a century ago. The policy which Secretary Hull sets forth is not an easy, simple one. It involves responsibilities which must be accepted, perhaps over a long period of time. Only if that fact is kept clearly



Secretary of State Cordell Hull





When international trade stops, there are depression, unemployment, and hunger marches in such industrial countries as England . . . while grain



rots in the fields of such countries as Rumania and the peasants of that country suffer from the lack of industrial products.

in mind can we hope to achieve a permanent peace.

### International Trade Barriers

*Excessive trade barriers of the many different kinds must be reduced, and practices which impose injuries on others and divert trade from its natural economic course must be avoided.*

This is one of the most important points of all. Nearly everything hinges on it. It is not enough that nations be free and independent and sovereign. If their neighbors erect barriers so that their goods cannot be shipped across national lines, they will be unable to sell their products. They will then suffer from poverty and depression and will be a source of disorder rather than strength in the world of nations.

A simple illustration from Bernard Newman's *The New Europe* (New York: Macmillan, \$3.75) shows the effect of trade barriers in impoverishing populations. Mr. Newman says: "There must be thousands of families in Britain where an extra loaf of bread each week would be a godsend; in Bessarabia (the section of Rumania now being invaded by the Russians) there are barns full of rotting grain. In Northamptonshire (England) it often happens that there are thousands of boot and shoe workers out of work. In Bessarabia there are hundreds of thousands of people who work barefoot or with a piece of old automobile tire fastened to their soles. This is called an economic problem: World conferences are called to solve it and fail. If you were a Northamptonshire shoemaker and I were a Bessarabian peasant, we could solve it in about ten minutes—if we could once get into touch with each other. But the moment nationalism enters the scene, the most simple problem becomes immensely complicated."

So long as trade barriers keep goods from what Mr. Hull calls "their natural economic markets," there will be poverty and unrest in sections like Bessarabia and depression in industrial regions such as England. There will be unrest and recurrent wars.

Secretary Hull sets up a highly important goal when he says that these trade barriers must be reduced. But it is one thing to outline such a general objective and it is another thing to adopt the measures which will make it effective. Nations do not erect trade barriers for the purpose of hurting their neighbors. They do it with the idea of benefiting their own people and without taking into account what the effect will be on the neighbors.

When, for example, the Congress of the United States enacts a tariff law which places a tax upon certain foreign goods entering this country, a tax so high that the goods cannot be shipped in—when Congress does that, its purpose is not to hurt the foreigners who produce these goods. But that is the result nevertheless.

But will we give up such tariffs as these? If we think it is to the advantage of the American manufacturers to be freed from the competition of goods from abroad, will we not continue to enact prohibitive tariff laws? And if we do it, can we expect other countries to refrain from doing so? Can we expect that the nations of the world, the United States included, will come to the place where they will consider the effects of their trade restrictions upon other nations as well as upon their own people? That question might as well be faced, for if nations will not do this, all of our fine talk about reducing trade barriers and about establishing conditions throughout the world under which people may prosper will come to absolutely nothing. In that case, the most potent and ever-present causes of war will not be removed.

### International Finance

*Equally plain is the need for making national currencies once more freely interchangeable for each other at stable rates of exchange; for a system of financial relations so devised that materials can be produced and ways may be found of moving them where there are markets created by human need; for machinery through which capital may—for the development of the world's resources and for the stabilization of economic activity—move on equitable terms from financially stronger to financially weaker countries.*

The question of the control of national currencies is an extremely difficult and complex one which we shall not undertake to consider here. But something may be said about the importance of the latter part of this statement. It is highly important that some capital from financially strong countries should be made available to help develop the financially weak countries.

Individual investors in the United States and Britain naturally do not want to put their money in such enterprises so long as financially weak countries are danger zones with unstable governments. Perhaps the United Nations or an association of nations might undertake the job of fi-

nancing public works in economically backward countries such as Rumania. By either such a step as this or some other concrete measures, the more progressive nations may create the economic conditions under which peace and order throughout the world may be established.

### Atlantic Charter: Reciprocal Obligations

*The pledge of the Atlantic Charter is of a system which will give every nation, large or small, a greater assurance of stable peace, greater opportunity for the realization of the aspirations to freedom, and greater facilities for material advancement. But that pledge implies an obligation for each nation to demonstrate its capacity for stable and progressive government, to fulfill scrupulously its established duties to other nations, to settle its international differences and disputes by none but peaceful methods, and to make its full contribution to the maintenance of enduring peace.*

This means apparently that the freedom guaranteed to nations by the Atlantic Charter is not necessarily to be enjoyed by all nations, but merely by the nations which show a capacity for stable and progressive government and which respect the freedom of other nations. It apparently means that the United States and the nations associated with us will not guarantee the independence and freedom of nations which are fascist and aggressive. In other words, the nations which are to enjoy the independence and the advantages guaranteed by the Atlantic Charter must "play the game." They must be willing to maintain their own freedom and to respect their neighbors'.

If this plan is followed it will naturally place a very definite responsibility upon the United States and the governments associated with us. We will have to decide which governments are qualified to enjoy the benefits of the Atlantic Charter and which are not. We will have to decide whether, for example, the government of Spain is fascist or progressive, whether King Victor Emmanuel and Badoglio are fascist or progressive, and we will have to make the same decision about other countries.

### Sovereign Equality of Nations

*Each sovereign nation, large or small, is in law and under law the equal of every other nation.*

The principle of sovereign equality of all peace-loving states, irrespective of size and strength, as partners in a future system of general security will

be the foundation stone upon which the future international organization will be constructed.

This point cannot be taken too literally. No arrangement can ever be made whereby a small nation such as Finland or Paraguay can be equal partners in any kind of world organization with nations such as Russia, Great Britain, or the United States. Our government intends by this statement, however, to emphasize the fact that all nations, even the little ones, shall be respected in their rights and shall enjoy the same freedoms that large nations have. In the attempt to enforce such a theory, we will have plenty of difficulties. We might even have a hard time persuading certain of our allies fully to respect the rights of their neighbors. We have not always followed that rule ourselves—with respect to Mexico, for example. But it means something to have the ideal emphasized.

### Form of Government

*Each nation should be free to decide for itself the forms and details of its governmental organization—so long as it conducts its affairs in such a way as not to menace the peace and security of other nations.*

### Nonintervention

*All nations, large and small, which respect the rights of others, are entitled to freedom from outside interference in their internal affairs.*

### Liberty

*There is no surer way for men and for nations to show themselves worthy of liberty than to fight for its preservation, in any way that is open to them, against those who would destroy it for all. Never did a plainer duty to fight against its foes devolve upon all peoples who prize liberty and all who aspire to it.*

All peoples who, with "a decent respect to the opinions of mankind," have qualified themselves to assume and to discharge the responsibilities of liberty are entitled to its enjoyment.

The comments made concerning the declaration respecting the "Atlantic Charter: Reciprocal Obligations" applies to these points.

### Dependent Peoples

*There rests upon the independent nations a responsibility in relation to dependent peoples who aspire to liberty.*

(Concluded on p. 7, col. 3)



# The Story of the Week

## The War Fronts

The Red Army's Ukraine offensive is still rolling with tremendous speed and power. In prewar Poland, Russian troops are nearing the partition line set by the Nazis and the Soviets in 1939. Slightly to the south, they are cutting their way through Besarabia where one of the war's most desperate showdown battles may be expected if the Nazis are able to consolidate their hold on Hungary and Rumania. And on the southernmost end of the Russian front, the Red Army is nearing Nikolaev, one of the last key cities the Nazis hold in southern Russia.

On the Italian front, the bitter battle for Cassino is demonstrating once again what Stalingrad, Changteh, and similar epic encounters have already shown—the strategic importance of cities in modern war. House-to-house fighting with shattered buildings as the only fortifications has proved a vitally significant technique in the present conflict.

As for the outcome of the terrible Cassino battle, a warning against over-optimism was recently issued by Brigadier General William H. Wilbur. Upon his return from Italy, General Wilbur pointed out that Cassino is more than a city. It is a series of fortified hills against which offensive action, whether by artillery or by bombing plane, is unusually difficult. In addition, General Wilbur warned that many similar obstacles stand between the Allied armies and Rome.

In the United States, the War Department announced that 36,000 men training under General Arnold in the Air Forces had been transferred to duty with the ground forces. Because



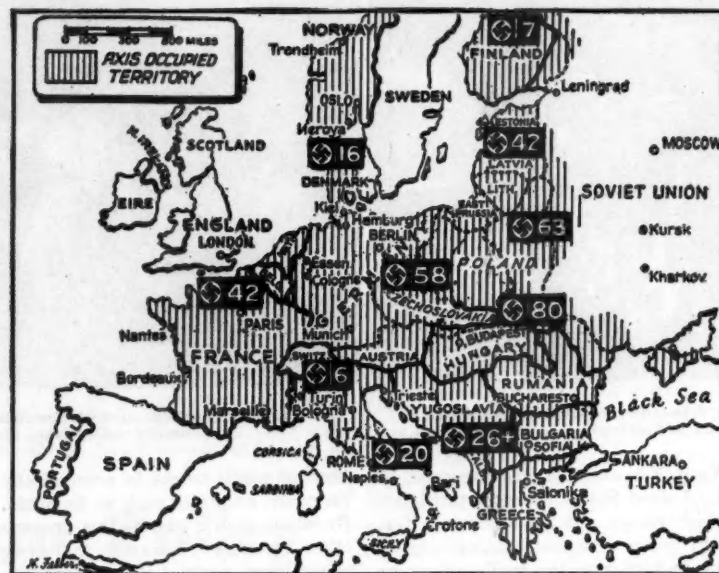
General Arnold

of the failure of the draft to produce needed manpower supplies for the Army, this drastic step was considered necessary.

## Japanese in India

A long-cherished dream of the Japanese warlords has been realized in the recent invasion of India. Although the capture of Indian territory just northeast of Burma is neither of great strategic importance in itself nor apparently part of a larger drive, this move has three highly significant aspects.

Perhaps its most immediate purpose is to cut off General Stilwell and the builders of the Ledo Road, from their bases in India. Knowing the importance of this supply route to Chinese resistance, they have now gone so far



DISPOSITION OF NAZI FORCES. The figures on the map denote the number of German divisions believed to be stationed in the indicated areas. The divisions here shown total 360; other estimates range between 325 and 390.

as to risk an offensive into India itself.

A second reason for the new Japanese action is its effect on Indian morale. Having tried without success to mobilize Indian resentment of the British to their own ends, the Japanese now plan to state their case still more forcefully by setting up Subhas Chandra Bose, Indian nationalist of pro-Japanese leanings, as puppet ruler of a "Free India."

The third factor in Japan's drive on India concerns Admiral Mountbatten's forces in this area and the prospect of an all-out blow from them. Seeking to forestall such a blow in the immediate future when they are too hard-pressed on other fronts to withstand it, the Japanese have offered their invasion of India as a distractionary movement.

## Mobilizing for Peace

Two senators, representing the two leading American parties, have started a new type of movement to mobilize popular opinion in the interests of peace. What they hope to do is find the lowest common denominator of public opinion on the issues of peace—the principles almost everyone approves—and unite popular support behind accepted principle in spite of disagreements on other issues.

Democratic Elbert D. Thomas of Utah and Republican Warren R. Austin of Vermont have disagreed on public questions as often as any other two members of Congress. But, as leaders of this movement, they hold that there is a level at which almost everyone can agree about our peace aims. If we find this level and concentrate on the principles it includes, they believe agreement on the ways and means of peace planning will be easier to achieve.

## Political Arena

A new figure has appeared in the political arena where would-be Republican candidates for the presidency are now vying with one another. He is Lieutenant Commander Harold E. Stassen, former governor of Minnesota now serving in the Navy. Stassen announced that if nominated he would consider it his duty to run in the coming election but that he would do nothing to promote his candidacy. Coming at a time when the Wisconsin

primary election looms as an important test of strength for all Republican contenders, Stassen's announcement caused a stir in political circles. Stassen, Wendell Willkie, New York Governor Thomas E. Dewey, and General Douglas MacArthur are all entered in the Wisconsin primary to be held tomorrow, and Stassen's promise to run if nominated has affected the chances of all.

Willkie, the most active of Republican campaigners for the nomination, greeted Stassen's pledge by denouncing prospective candidates who did not or could not discuss the issues of the campaign with the voters. He urged presidential aspirants unwilling to state their views to withdraw from the race.

Freely airing his own convictions on the issues of the coming election, Willkie has concentrated on what he considers two evils—isolationism and economic torpidity. His fight is based on his own devotion to international cooperation and economic security for the American people. His chances for the nomination will be greatly affected by the Wisconsin primary.

## SMILES

The Marines who went into the Gilberts sang "Tarawa-boom-de-ay," but the Marines in the Solomons are topping that one. The latter are singing "After Rabaul is over."

A successful man told a group of boys that there is nothing a person cannot do if he puts his mind to it. But Johnny disagreed. "Well," said the man, "tell me what it is." "You try to light a match on a piece of soap," was the answer.

Mother: "I am afraid Willie isn't trying enough." Teacher: "On the contrary, Willie is the most trying boy in the entire class."

"Please, can you tell me why the tide is not up this morning?" asked the talkative visitor at the seaside. "Yes," replied the old fisherman. "It's because it was out last night."

Sentry: "Halt, who goes there?" Draftee: "Oh, you wouldn't know me—I'm one of the new men."

Foreman: "Why are you leaving?" Riveter: "I don't mind hammering

## Relations with France

Relations between our State Department and the French people have long been carried on in an atmosphere of uncertainty and misunderstanding. Specifically, two unsettled questions have clouded the air. The first is: what is America's attitude toward the Vichy regime in France? The second is: what is our attitude toward General Charles de Gaulle and the French Committee of National Liberation?

Recently, when it was reported that Allied plans for dealing with liberated France had been changed, a rumor sprang up. It was whispered that, instead of considering the Committee of National Liberation the final authority over metropolitan France during the invasion and occupation period, General Eisenhower would deal with all French groups, including the Vichy government.

Spiking the rumor, the State Department gave an emphatic answer to one of the questions which has been hanging fire in our relations with the

## NOTICE

In accordance with the schedule which has been published each week in the paper during the school year, *The American Observer* will omit the issue of April 10.

Because of the acute paper shortage we are obliged to omit one of the spring issues, and we hope that a minimum of inconvenience to our readers will result with the omission coming the week following Easter, since in many schools the spring vacation occurs at that time.

*The American Observer* will appear as usual on April 17.

French in recent months. According to an official statement from the Department, we will consider no relations with the Vichy government "except for the purpose of destroying it."

The other question, however, remains unanswered. Recognition of de Gaulle and his Committee is vague and conditional, and no complete statement of American attitude toward it has ever been offered.

rivets all day long, but the man next to me hums incessantly!"

Guide (pointing to a deer at the zoo): "Can you name that animal, son?" Boy: "No."

Guide: "What does your big sister call you sometimes?" Boy: "Don't tell me that's a louse!"

The new detective was telephoning headquarters. "The man I'm trailing has left Boston for New York," he explained. "Shall I start after him today or wait for the excursion rates on Saturday?"



"Young man, are you permitted to tell where you're going?"



## Pan American Day, 1944

EVERY year for the last 14 years, the 21 republics of the Western Hemisphere have set aside one day to celebrate the friendship and common interests which bind them together. On a proclamation from the president of each of these countries, April 14 has been, since 1931, Pan American Day, and schools, clubs, civic associations, and the general public have observed it with special programs on the theme of hemisphere solidarity.

The custom of celebrating Pan American Day owes its origin to the Pan American Union. This union of the 21 American republics, founded in 1890 for the purpose of building a system of peaceful international relations for the countries of the Americas, has worked steadily for more than half a century to promote understanding between the peoples of the two continents.

In 1930, the governing board of the Pan American Union suggested that this purpose might be advanced if all the American nations celebrated the national holidays of all the others along with their own. But it was decided that adding so many new holidays to each national calendar was impractical. Instead, a single day was chosen to symbolize the greatness of each of the Pan American nations and their community spirit as members of the Union. April 14, anniversary of the First International Conference of American States at which the Pan American Union was formed, was chosen as the most appropriate date.

Among the many important things which Pan American Day calls to mind is the long history of efforts toward co-operation and unity among the peoples of North and Latin America. The first concrete step in this direction came early in our own history as a nation when, in 1826, Simon Bolivar, who led

tions of the Western Hemisphere to peaceful settlement of any disputes which might arise.

In 1864, Peru called still another conference for the purpose of drawing up agreements among the South American states for mutual cooperation and the preservation of peace. Despite the fact that none of these treaties came into full operation, they were important stepping stones to the kind of agreements which now interrelate the 21 republics in peace and cooperation.

The calling of the First International Conference of American states at Washington in 1889 brought about the first definite advances toward hemisphere solidarity. In authorizing the Conference, our Congress had named its purposes as, first, the preservation of peace on the two continents, and, second, the improvement of commercial relations between the United States and the other Americas.

On the development of commercial ties, the conference was highly successful. With regard to its first goal, three significant steps were taken. The first was the condemnation of conquest on the part of any American nation. The second was the formulation of a comprehensive plan for the peaceful settlement of inter-American disputes. The third was the formation of a permanent group called the International Union of American Republics whose chief function was to be the distribution of commercial information.

This group, later to become the Pan American Union we know today, increased its powers and functions with each succeeding Inter-American Conference. As the Union is now organized, it is composed of representatives of the 21 American republics appointed by their particular governments. It is directed by a governing board of the diplomatic representatives of all the



Plaza Del Congreso in Buenos Aires. Our relations with Argentina constitute perhaps the major problem confronting the Americas as they celebrate Pan American Day this year.

coming of the war, with its threat to the security of the hemisphere, has added still further to the urgency of its task.

As a result, this year's celebration of Pan American Day is perhaps the most significant since the custom began. Although the bonds between the United States and her neighbors to the south have been strengthened in most cases by a common allegiance to the United Nations cause, in some parts of the hemisphere serious difficulties have come up. In several of the Latin American nations, elements unfavorable to hemisphere solidarity have challenged the Pan American idea.

The recent changes of government in Argentina have had repercussions throughout the hemisphere. In the face of open disapproval on the part of our State Department, Chile, Bolivia, and Paraguay have recognized the reactionary and pro-Axis Farrell government now in power in Buenos Aires. Shifts in government in Bolivia and Paraguay have indicated still more strongly that these countries may forsake the democratic, cooperative pattern sponsored by the Pan American Union and our government's Good Neighbor Policy, for a way of life similar to that of our enemies.

Of lesser importance is the trend of recent events in Costa Rica. Friction between American workers building the Pan American highway and the people of Costa Rica has undermined the sympathy of the entire country for the United States.

Still other threats to the solidarity of the 21 American republics are involved in the current situation in Mexico. A serious inflation problem has brought about widespread discontent among the Mexicans. Some of them blame the condition on the United States, claiming that our program of importing war materials from them has stripped the country of domestically needed supplies. Others attribute the trouble to the weakness of democratic government and have turned toward a Mexican form of fascism—the so-called Sinarquist movement.

All these things mean that the Pan American idea for which we have been working ever since the early days of our nationhood is in need of reinforcement, both as a means to speedier winning of the war and as an important tool for building a better world in peacetime. While it is important for students to learn as much as they can about the other Americas any day in the year, next week's Pan American Day should be devoted with special seriousness to study and thought about our hemisphere neighbors, their problems, and our many common objectives.



Headquarters of the Pan American Union, Washington, D. C.

South America's fight for liberty from Spain, called the first Congress of American States. Although the treaty of mutual cooperation he presented at this conference was not ratified by the nations attending, the Congress represented a promise of future understanding and friendship.

In 1847, another conference was held at Lima, Peru. Although only Colombia, Chile, Bolivia, Peru, and Ecuador were represented, a comprehensive plan for the peaceful settlement of inter-American disputes was drawn up. Nine years later, this conference was followed by two others—one at Santiago, Chile, and the other in our own capital. At both, treaties were signed, committing most of the na-

American republics in Washington plus the American secretary of state. It promotes the meeting of international conferences to study questions of interest to several or all of the member nations. It sponsors wide educational activities designed to give the people of all parts of the hemisphere a closer understanding of one another. It also publishes numerous official reports on the commerce, population, industry, and resources of North and South America. In peacetime it promotes travel within the hemisphere.

Since the Good Neighbor Policy came into being, the efforts of the Pan American Union to promote better relations between the peoples of the Americas have been increased. The

As part of its educational program, the Pan American Union in Washington, D. C., supplies a wide range of informational literature on the Americas. In connection with Pan American Day, it also publishes suggestions for school programs and projects on the inter-American theme.

### News Quiz

1. What does the Hull program say about the Atlantic Charter?
2. If this program is carried out, how will American foreign policy after this war differ in two important respects from the policy adopted after the First World War?
3. What is meant by a "sphere of influence" and what does the Hull statement say on this subject? How might this affect future American policy?
4. Why is the lowering of trade barriers essential to the preservation of peace?
5. What treatment does Mr. Hull suggest be given to the subject peoples of the world?
6. Why will it be extremely difficult for Hungary, Rumania, and Bulgaria to withdraw from the war?
7. What is the strategic importance of Hungary to Hitler's plans in the east?
8. What is Rumania's main importance to Hitler?
9. Why have Hungary and Rumania been at odds since the last war?
10. How do Bessarabia and Transylvania figure in recent developments in the Balkans?
11. For what purpose is Pan American Day celebrated?
12. What is the proposal sponsored by Senators Thomas of Utah and Austin of Vermont?

### The American Observer

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IS A SYSTEM of compulsory health insurance necessary to provide the American people with adequate medical care?

## Debate Over Federal Health Insurance

**A**LTHOUGH it is pushed off the front pages by news relating to the war, the issue over health insurance is becoming one of the most bitter controversies in the nation today. The issue, simply stated, is this: Shall the national social security program, which now provides for unemployment insurance, old-age insurance, and other benefits, be expanded to include a program of health insurance?

A specific health-insurance proposal is now before Congress. It is the Wagner-Murray-Dingell bill and provides that, in addition to the present social security taxes, workers contribute 3 cents out of every dollar they earn to support a federal program of health insurance. The money collected would be used to engage the services of doctors and the facilities of hospitals for the benefit of insured workers and their families.

All licensed physicians and qualified hospitals would be entitled to participate in the program. Insured workers and their families would be free to make their choice of doctors and hospitals cooperating with the plan. They would receive regular medical care, specialist and laboratory services, and would be entitled to hospitalization up to 30 days each year.

The insurance program would be administered by the Surgeon General of the United States, who heads the U. S. Public Health Service. He would be assisted by an Advisory Medical and Hospital Council, made up of 16 doctors recommended by the medical profession. Payment of the doctors would be left to the doctors themselves—on the basis of either the number of patients treated or of the time devoted to caring for patients. Doctors participating could devote their full time to this practice or could work at it on a part-time basis, continuing their private practice on the side.

These are the principal features of the health-insurance program now being so hotly debated by the medical profession, members of Congress, and

large numbers of people interested in the health-insurance plan.

**Arguments for the Wagner-Murray-Dingell bill:**

A federally sponsored program of health insurance is necessary to provide workers with the medical care they require. Under the system of private practice, most people are unable to set aside enough money to meet emergencies created by illness. An unexpected illness may wipe out a family's savings or put it in debt.

The principle of health insurance is to provide for such emergencies by spreading the costs of medical care so that emergencies are taken care of as a matter of right. Just as workers now covered by social security are entitled to unemployment insurance when they lose their jobs, so would they be entitled to medical services in case of illness. Not all workers would require medical care any more than all of them collect unemployment insurance. But all would be entitled to the benefits.

The program is designed to bridge the gap between doctors and other available medical services, on the one hand, and patients on the other. As there are millions of persons who cannot afford adequate medical care, so are there thousands of doctors who have only enough patients to keep them busy part of the time. Their income is very low. Many of them cannot afford the equipment which is essential to the best treatment.

Despite the great progress which has been made in medical science during recent years, the average person has been unable to take advantage of this progress. Only those with adequate financial resources can go to the best clinics and hospitals and can avail themselves of all that medical science has to offer. The net result is that the nation's health is far worse than it needs to be. Half of the first 3,000,000 draftees called for induction were rejected because of physical or mental disabilities. The nation is now

paying, in wasted manpower, for its failure to safeguard its health. Health insurance is the only feasible means whereby the expert skill of medical science can be translated into better health standards for the entire nation.

The Army and Navy medical staffs have demonstrated how, by pooling their efforts and equipment, doctors can provide the best possible medical care for great numbers of people. The medical treatment provided for members of the armed services is an example of the principles of health insurance in operation.

On a much smaller scale, the same principle has been applied under privately sponsored systems of health insurance. Programs similar to that provided for by the Wagner-Murray-Dingell bill are in operation in a number of war industries, in certain communities. In all these programs, insured persons pay a weekly or monthly insurance fee which entitles them to most of their medical needs. If the nation as a whole is to benefit, a nationwide program must be adopted.

**Opponents of the Wagner-Murray-Dingell bill contend that:**

Medical science will suffer its greatest blow if it is brought under federal bureaucratic control. If doctors become paid employees of the government, the medical profession will be ridden with politics. It will be politicians and not physicians who will direct the program and decide upon its policies.

Under this program, the freedom of the medical profession would be destroyed by the state. No doctor would be able to buck the program because the government would have billions of dollars at its disposal. The government could buy the services of the doctors and those who refused to cooperate would be unable to stay in business. Moreover, those doctors who would receive the greatest benefits would be the ones who could play politics most skillfully, not those who demonstrated the greatest ability.

The very future of medical science depends upon the continuation of free and private practice. Under this system, miraculous progress has been made. The profession itself has established standards unequalled by any other profession and the entire nation has benefited as a result. The fact that the average individual lives 20 years longer today than he did half a century ago attests to the efficiency of the system of private medical practice.

Political meddling would set medical science back many years. It would destroy the incentive of the individual doctor to continue his studies, to give the best possible service to his patients, and to engage in research. As paid employees of the government, doctors would lose the personal relationship which they now have with their patients. They would become mere cogs in a machine wherein their skill and performance would have little recognition.

If the defect of the present system lies in the financial inability of many people to obtain the medical services they require, the way to attack the problem is not to socialize and undermine the medical profession, but so to improve living standards that the gap can be bridged. A solution of this problem lies in the solution of the general economic problem of providing full employment at decent wages to the American people as a whole. No amount of medical care will undo the harm which comes from malnutrition, bad housing, inadequate recreational facilities. The removal of these evils and the general raising of living standards will automatically enable millions of persons to avail themselves of the services of the medical profession as it is now organized.

There is a third position which is taken by many doctors and laymen alike. This position may be summed up as follows:

It is true that the present system of private medicine does not provide the necessary medical care to large sections of our population. Some system must be worked out whereby easier methods of payment can be made. But the solution does not lie in the federal government's taking over the medical profession. There are many privately organized clinics which are organized on the health-insurance principle. A weekly payment entitles individuals to the medical care they need. There are millions of people who belong to group hospitalization plans whereby their future hospital needs are taken care of by a weekly or monthly payment. The war has greatly accelerated the development of plans of this kind, most of them voluntary, whereby the medical needs of war workers are taken care of on an insurance basis.

The doctors of the nation are sharply divided on the issue of health insurance. An overwhelming majority of them appear unalterably opposed to any government plan of compulsory insurance on a nationwide basis. Leading medical organizations, the most important of which is the American Medical Association, have also opposed certain types of voluntary health-insurance plans. There is still a strong feeling among a great many doctors that medical care organized on a mass scale, with physicians on a salary basis, will stifle progress and lead to mediocrity.

Other doctors, while opposing federal compulsory health insurance, support the idea of voluntary plans such as those which are being carried out by a number of companies and in a number of communities.



# Nazi Moves in Balkans

(Concluded from page 1)

time have they fought as vigorously as the Germans wished them to. Furthermore, they have maintained considerable independence. Their country has not, until lately, been occupied by the Germans. The Hungarian papers have been free to discuss the war very much as they pleased.

The Germans accepted this half-hearted cooperation for a while, but lately the situation has become more unsatisfactory. The Hungarian people are war weary and would like to make peace. It is well known that certain prominent Hungarians, among them Prince Barbu Stirbey, have been in Turkey and Cairo to confer with Allied leaders about possible conditions of peace. There was probably no immediate prospect of Hungary's making peace, but the Germans were alarmed over the possibility. The situation became the more alarming as the Russian armies moved westward occupying parts of Poland and Rumania. There seemed a chance that the Balkans might be breaking up, and that there might be widespread disorder and insurrection in Hungary.

The Germans could not tolerate such a condition. They may need very soon to transport soldiers and supplies through Hungary in order to get down into Rumania to reinforce that front against the Russians. At present, most of their supplies are moving along a railway line which stretches from Danzig through Warsaw and Lwow in Poland and Cernauti in Rumania down to the Black Sea at Galati. The last-named point is near the very valuable Ploesti oil fields. This is an excellent transportation line connecting Germany with the Russian front. There is danger, however, that it may be broken. During the last week of March, the Russians were within 35 miles of Lwow and within 20 miles of the railway in Rumania. If this line is broken, the main arteries of German supplies will have to go along the longer and poorer railway system through Hungary and Rumania.

The Germans could not take the risk of having Hungarian disturbances break this transportation route. Hence, they felt obliged to step in and occupy the country. They are putting Germans in all key positions and are policing the country thoroughly.

The Germans are having their troubles not only in Hungary but also in Rumania. The Russian armies are already in Bessarabia, a poor, bleak province running along the north and south line in the eastern part of Ru-

mania. This province was a part of Russia before the First World War. It went to Rumania after that conflict. The Russians occupied it again in 1940, but were driven out after the Germans attacked Russia in 1941. Now the Russians are back again, and they are moving toward the heart of Rumania.

The Rumanian government, a dictatorship headed by Premier Antonescu, does not want to make peace with Russia. Those in charge of the government are fascists and represent the wealthy classes of Rumania. They know that if the Russians should come in, they would be driven from power and their property would be taken away. Hence, they will fight on as long as they can. But the masses of the Rumanian people have no stomach for the war. They fear the destruction which will occur if their country is the scene of battle.

They have been, undoubtedly, negotiating with the Russians. Russia seems willing to make a fairly easy peace with Rumania. She will, undoubtedly, insist upon taking back Bessarabia and the little province of Bukovina which lies just to the north of Bessarabia. This is not a rich territory at all, but has great strategic value for it controls the passes through the mountains into Central Europe.

But the Russians appear willing to give back Transylvania to Rumania if or when they are in a position to do so. This is an enticing proposition to the Rumanians, for Transylvania is a much richer province than either Bessarabia or Bukovina.

In order quickly to check the peace movement in Rumania, the Germans are taking a firm stand in that country. They are sending additional soldiers. They are determined to wreak vengeance upon any Rumanians who try to get out of the war.

At best, the situation in Hungary and Rumania is explosive. It is also uncertain in Bulgaria, for the Bulgarians are sick of war. If the Allies could march their armies into the Balkans so as to protect the Balkans in case they surrender, we might expect a break-up in the Balkans soon.

But the Allies are not in that position. The British and the Americans have been checked in Italy. They are probably not in a position to send their armies across into Yugoslavia. Neither can they invade Greece so long as the Germans hold the strategic islands in the Aegean Sea. If the Balkan leaders should undertake to make peace, they could not expect protection from the Allies—at least not at present.

It seems unlikely, therefore, that Hungary or the Balkan states will make peace with the Allies soon. It is true that anything may happen, but the surrender of these countries cannot be anticipated immediately. If they were to surrender, the Germans would still be there as they are in Italy, and the result would not be particularly noticeable. One fact is, however, satisfying to the Allies. The Balkans and Central Europe are becoming restive under the Nazi heel. Although these countries are allied with the Germans, they are hostile to the Nazi forces. They are becoming sources of weakness as well as strength to the Germans. The Germans are obliged to send many divisions of soldiers to this region—divisions which they need elsewhere.



## U. S. Foreign Policy

(Concluded from page 3)

erty. It should be the duty of nations having political ties with such peoples to develop materially and educationally, to prepare themselves for the duties and responsibilities of self-government, and to attain liberty. An excellent example of what can be achieved is afforded in the record of our relationship with the Philippines.

This is a statement worthy of the best American traditions. It outlines a policy which most Americans would like to see applied in the treatment of dependent peoples. It may be interpreted as a hint to the British with respect to their treatment of India and other British possessions and dependencies which may aspire to independence. Many of the British, it should be said, are in agreement with this principle. Probably a majority of the British would be willing to have India achieve independence after the war by a process similar to that by which the Philippines have been moving toward independence. The problem of the relation of the great colony-holding powers toward such peoples of the earth will, however, be one of the great issues of the postwar period.

Mr. Hull's statement of policy is already being widely debated throughout the nation. Many of the points have already raised important issues. Even greater controversy will develop as specific measures are proposed to carry out the broad objectives.

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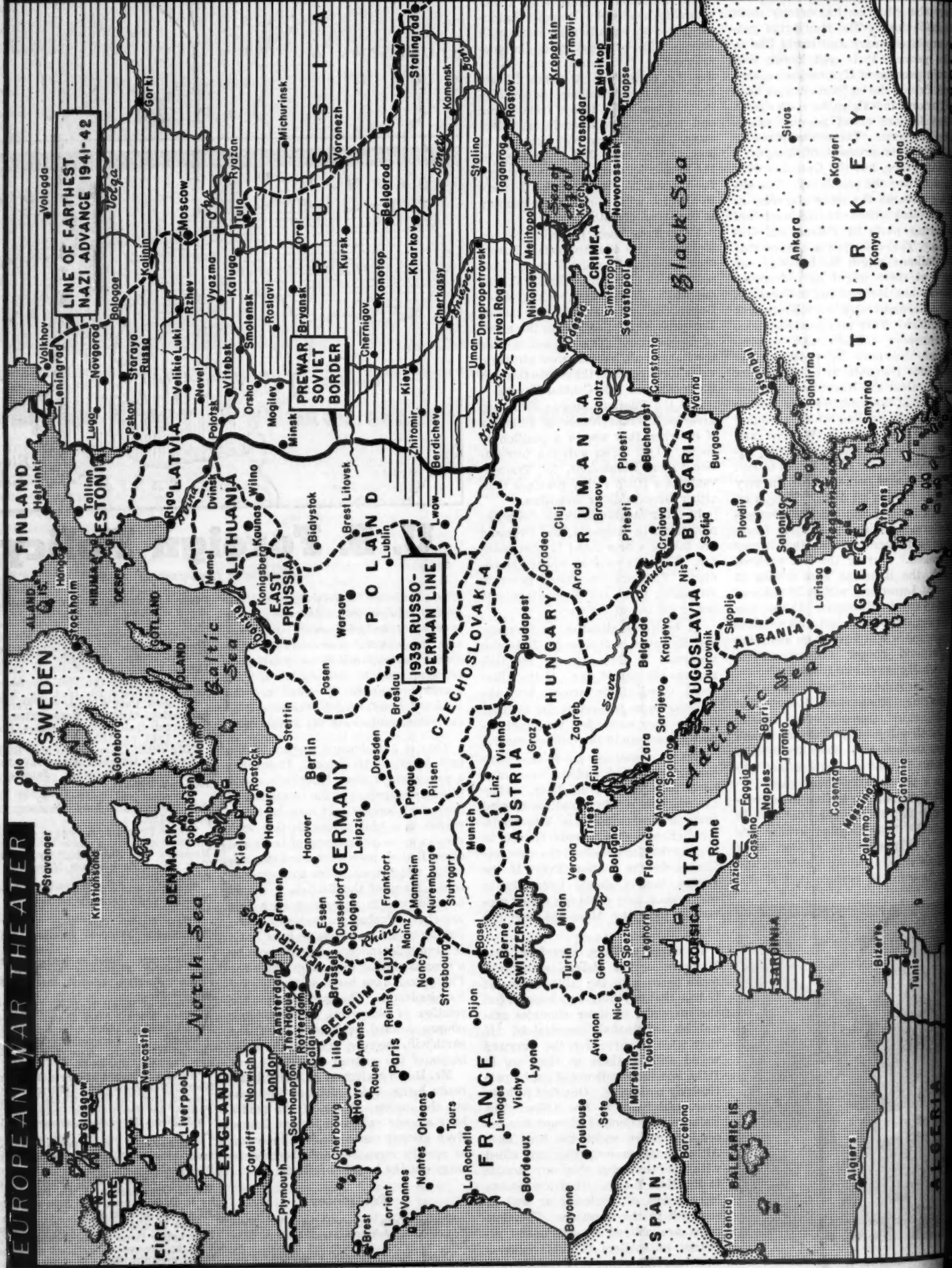
"The United Nations and the Future." This entire issue of the *Annals* for July 1943 is devoted to articles on international organization, and cooperation, imperialism, foreign trade, and so on.



Admiral Horthy



# EUROPEAN WAR THEATER



## War Map

This map of the European Theater of War has been drawn in such a way as to enable readers of *The American Observer* to keep a day-by-day, week-by-week, record of the changes in the war fronts. As changes occur in territory occupied by the Nazis and by the Allies, they can be indicated on the map. The area occupied at present by Germany has been left white, so that the lines which correspond to Allied-controlled territory can be extended and the map brought up to date. When new cities and towns are taken, the lines should be extended to these points. We suggest the use of a different-colored pencil or crayon for each month so that the tide of Allied advance can be accurately gauged.

We have indicated, by broken lines, the prewar boundaries of the countries of Europe which are now under the yoke of the Nazis. We have not, however, attempted to show the many territorial changes that were made after the outbreak of war or during the period immediately preceding it. An exception has been made in the case of the division of Poland, which was made between Germany and Russia late in 1939, a few weeks after that country was overrun.

While we have not included all the towns and cities which are likely to figure in the news in the weeks ahead, we have attempted to place all the important centers.

We have had many requests for a map of this kind. Early in the war, the Axis was making all the gains and it became customary for map-makers to shade Axis areas in dark colors and Allied territory in light colors as a means of giving proper emphasis to Axis gains. But now that the Axis is retreating, it is interesting to reverse the procedure.

We are preparing a similar map of the Pacific Theater which will be published in an early issue of *The American Observer*.



